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 CLERK US DISTRICT COURT
 DISTRICT OF ARIZONA

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UNITED STATES DISTRICT COURT
 DISTRICT OF ARIZONA

United States of America,

Plaintiff,

v.

Philip Mark Cain,

Defendant.

CR11-1015 TUC
 INDICTMENT VICTIM CASE

Violations: 18 U.S.C. § 1341
 18 U.S.C. § 1343
 18 U.S.C. § 1957
 31 U.S.C. § 5324
 31 U.S.C. § 5317
 18 U.S.C. § 981(a)(1)(C)
 18 U.S.C. § 982(a)(1)

(Mail Fraud; Wire Fraud; Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity; Structuring Transactions to Evade Currency Transaction Reporting Requirements; Forfeiture Allegation)

THE GRAND JURY CHARGES:

INTRODUCTORY ALLEGATIONS

At all times material to this indictment:

1. Beginning on or about June 2008, and continuing to on or about February 2011, at or near Tucson, in the District of Arizona, Defendant PHILIP MARK CAIN did knowingly and intentionally devise a scheme and artifice to defraud investors.

1 2. Defendant PHILIP MARK CAIN, age 44, was a resident of Corona de Tucson,
2 Arizona.

3 3. Defendant PHILIP MARK CAIN maintained an office at 5151 E. Broadway Blvd.,
4 Suite 760, Tucson, Arizona.

5 4. Between on or about August 2006 and August 2010, Defendant PHILIP MARK
6 CAIN, an independent financial advisor, was a registered representative of a brokerage firm
7 known as Commonwealth Financial Network.

8 5. Barrett-Jackson operates collector car auctions at various locations such as
9 Scottsdale, Arizona, Las Vegas, Nevada, Palm Beach, Florida, and Orange County, California.

10 6. JPMorgan Chase Bank, Bank of America, and Compass Bank are financial
11 institutions whose activities affect interstate commerce.

12 7. On or about June 9, 2008, while still affiliated with Commonwealth Financial
13 Network, Defendant PHILIP MARK CAIN registered with the Arizona Office of the Secretary
14 of State, the name "Commonwealth Financial Services," under the name "Philip McCain,"
15 with an address of 5151 E. Broadway, Suite 760, Tucson, Arizona.

16 8. On or about June 10, 2008, Defendant PHILIP MARK CAIN opened business
17 banking accounts, both savings (account no. xxxxxx4581) and checking (account no.
18 xxxxx4977), at JPMorgan Chase bank, under the name Commonwealth Financial Services with
19 an address of 5151 E. Broadway Blvd., Suite 760, Tucson, Arizona. Defendant PHILIP
20 MARK CAIN was the sole signer on the JPMorgan Chase accounts.

21 9. At material times, a sign was located outside Defendant PHILIP MARK CAIN's
22 business office at 5151 E. Broadway Blvd., Suite 760, Tucson, Arizona, which read "Cain
23 Financial."

10. From on or about June 10, 2008, through on or about January 6, 2010, Defendant PHILIP MARK CAIN deposited by check or wire transfer approximately \$1,452,985.00 of client\investor funds into JPMorgan Chase checking, account no. xxxxx4977, as follows, with checks being made payable to Commonwealth Financial Services:

| Deposit Date | Client/Investor | Amount |
|--------------|-----------------|-----------------------|
| 6/10/2008 | W.D. | \$225,000.00 |
| 9/23/2008 | E.M | \$130,000.00 |
| 9/29/2008 | I.B.& P.S. | \$75,000.00 |
| 10/07/2008 | S.W | \$90,000.00 |
| 10/10/2008 | I.B. & P.S. | \$15,000.00 |
| 10/16/2008 | S.W. | \$85,000.00 |
| 12/1/2008 | J.C. | \$100,000.00 |
| 3/16/2009 | J.B. & J.B. | \$200,000.00 |
| 3/19/2009 | J.B. & J.B. | \$200,000.00 |
| 9/10/2009 | M.B. & J.B. | \$100,000.00 |
| 12/10/2009 | J.C. | \$18,000.00 |
| 1/06/2010 | J.C. | \$214,985.00 |
| Total | | \$1,452,985.00 |

11. Defendant PHILIP MARK CAIN, transferred funds from the aforementioned JP Morgan checking, account no. xxxxx4977, to JP Morgan savings, account no. xxxxxx4581, in the amount of \$125,000.00 on or about July 2, 2008, and in the amount of \$100,000.00 on or about October 10, 2008.

12. At all relevant times, Defendant PHILIP MARK CAIN advised the client/investors that the client/investors funds, as described in Paragraph 10. above, would be invested in structured notes from Deutsche Bank.

13. However, Defendant PHILIP MARK CAIN did not at any time invest any of the funds, identified in Paragraph 10. above, in structured notes from Deutsche Bank as the client/investors had authorized.

14. Instead, between on or about June 30, 2008, and May 12, 2010, Defendant PHILIP MARK CAIN made unauthorized withdrawals of approximately \$596,000.00 in client/investor funds from the JPMorgan Chase accounts, as described below, in the form of checks or cashier's checks made payable to Defendant PHILIP MARK CAIN or his family members as follows:

| DATE | AMOUNT WITHDRAWN | JP MORGAN ACCOUNT |
|------------|------------------|--------------------------------|
| 6/30/2008 | \$19,500.00 | Checking, Acct. No. xxxxxx4977 |
| 8/04/2008 | \$29,500.00 | Savings, Acct. No. xxxxxx4581 |
| 8/12/2008 | \$30,000.00 | Savings, Acct. No. xxxxxx4581 |
| 11/10/2008 | \$30,000.00 | Savings, Acct. No. xxxxxx4581 |
| 1/26/2009 | \$30,000.00 | Savings, Acct. No. xxxxxx4581 |
| 1/28/2009 | \$30,000.00 | Checking, Acct. No. xxxxxx4977 |
| 1/30/2009 | \$30,000.00 | Checking, Acct. No. xxxxxx4977 |
| 2/25/2009 | \$30,000.00 | Checking, Acct. No. xxxxxx4977 |
| 3/27/2009 | \$30,000.00 | Checking, Acct. No. xxxxxx4977 |
| 4/02/2009 | \$30,000.00 | Checking, Acct. No. xxxxxx4977 |
| 5/05/2009 | \$30,000.00 | Checking, Acct. No. xxxxxx4977 |
| 5/14/2009 | \$35,000.00 | Checking, Acct. No. xxxxxx4977 |
| 5/22/2009 | \$35,000.00 | Checking, Acct. No. xxxxxx4977 |
| 11/04/2009 | \$50,000.00 | Checking, Acct. No. xxxxxx4977 |
| 11/12/2009 | \$38,000.00 | Checking, Acct. No. xxxxxx4977 |
| 1/07/2010 | \$60,000.00 | Checking, Acct. No. xxxxxx4977 |
| 1/13/2010 | \$50,000.00 | Checking, Acct. No. xxxxxx4977 |
| 5/12/2010 | \$6,000.00 | Checking, Acct. No. xxxxxx4977 |

| | | |
|--------------|---------------------|-------------------------------|
| 5/12/2010 | \$1,500.00 | Checking, Acct. No. xxxxx4977 |
| 5/12/2010 | \$1,500.00 | Checking, Acct. No. xxxxx4977 |
| Total | \$596,000.00 | |

15. Financial Institutions in the United States are required to file Currency Transaction Reports (CTR) for each deposit, withdrawal, exchange of currency, or other payment or transfer which involves more than \$10,000.00.

16. Between on or about June, 12, 2008 and on or about June 8, 2010, Defendant PHILIP MARK CAIN withdrew additional unauthorized amounts of currency totaling approximately \$401,455.61 from the JPMorgan Chase accounts in the name of Commonwealth Financial Services with most withdrawals being less than the \$10,000.00 currency transaction reporting limit.

17. On December 28, 2009, JPMorgan Chase sent Defendant PHILIP MARK CAIN a letter that a review of his account showed a pattern of transactions under \$10,000.00 and that such transactions could be viewed as an attempt to avoid CTR filing requirements. The JPMorgan Chase letter further advised Defendant PHILIP MARK CAIN that attempting to avoid CTR filing requirements was a violation of law. JPMorgan Chase also advised Defendant PHILIP MARK CAIN "Chase feels that it would be in our mutual interest for you to change your transaction patterns."

18. On or about May 27, 2010, Defendant PHILIP MARK CAIN opened a bank account at Bank of America, account number xxxxxxxx8435, in the name of Commonwealth Financial Services and deposited a client/investor check from A.R. made out to "Commonwealth Financial Services" in the amount of \$100,000.00.

19. None of the funds of client/investor A.R. were invested in Deutsche Bank structured notes as Defendant PHILIP MARK CAIN had represented to A.R.

1 20. On or about May 27, 2010, and continuing through on or about June 18, 2010,
2 Defendant PHILIP MARK CAIN made eleven separate withdrawals, each in the amount of
3 \$9,000.00, for a total of \$99,000 from Bank of America, account number xxxxxxxx8435, in
4 the name of Commonwealth Financial Services as follows:

| Date | Amount Withdrawn |
|-----------|------------------|
| 5/27/2010 | \$9,000.00 |
| 5/28/2010 | \$9,000.00 |
| 6/04/2010 | \$9,000.00 |
| 6/08/2010 | \$9,000.00 |
| 6/09/2010 | \$9,000.00 |
| 6/10/2010 | \$9,000.00 |
| 6/14/2010 | \$9,000.00 |
| 6/15/2010 | \$9,000.00 |
| 6/16/2010 | \$9,000.00 |
| 6/17/2010 | \$9,000.00 |
| 6/18/2010 | \$9,000.00 |
| Total | \$99,000.00 |

17 21. By on or about June 8, 2010, Defendant PHILIP MARK CAIN had withdrawn most
18 of the funds from the JPMorgan Chase accounts described in paragraph 8. above.

19 22. At various times relevant, Defendant PHILIP MARK CAIN purchased vehicles and
20 Arizona Department of Motor Vehicle records showed approximately 62 vehicles registered
21 to Defendant PHILIP MARK CAIN.

22 23. At various times relevant, Defendant PHILIP MARK CAIN paid for the repair of
23 vehicles with cash or cashier's check.

24. On or about October 12, 2010, Defendant PHILIP MARK CAIN received by wire transfer approximately \$514,000.00 into his personal Bank of America account no. xxxxxxxx0241, from classic car auctioneer Barrett-Jackson from the sale of vehicles.

25. On or about February 4, 2011, Defendant PHILIP MARK CAIN received by wire transfer approximately \$464,140.00 into his personal Bank of America account no. xxxxxxxx0241, from classic car auctioneer Barrett-Jackson from the sale of vehicles.

26. On or after October 22, 2010, Defendant PHILIP MARK CAIN transferred \$130,000.00 from his personal account at Bank of America, account no. xxxxxxxx0241, to a personal account at Compass Bank, account no. xxxxxx3076 by purchasing three cashier's checks totaling \$130,000.00 and payable to Defendant PHILIP MARK CAIN as follows:

| Date Deposited | Amount | Cashier's Check No. |
|----------------|---------------------|---------------------|
| 10/22/2010 | \$50,000.00 | 8716838 |
| 11/01/2010 | \$50,000.00 | 8716336 |
| 11/18/2010 | \$30,000.00 | 8795901 |
| Total | \$130,000.00 | |

27. Between on or about October 28, 2010, and November 30, 2010, Defendant PHILIP MARK CAIN then withdrew currency from his personal account at Compass Bank, account no. xxxxxx3076, as follows:

| Date | Amount Withdrawn |
|------------|------------------|
| 10/28/2010 | \$5,000.00 |
| 10/29/2010 | \$9,000.00 |
| 11/01/2010 | \$9,000.00 |
| 11/02/2010 | \$9,000.00 |
| 11/03/2010 | \$9,000.00 |
| 11/08/2010 | \$9,000.00 |

| | | |
|---|--------------|---------------------|
| 1 | 11/09/2010 | \$9,000.00 |
| 2 | 11/12/2010 | \$9,000.00 |
| 3 | 11/17/2010 | \$9,000.00 |
| 4 | 11/18/2010 | \$9,000.00 |
| 5 | 11/19/2010 | \$9,000.00 |
| 6 | 11/23/2010 | \$9,000.00 |
| 7 | 11/23/2010 | \$9,000.00 |
| 8 | 11/24/2010 | \$14,000.00 |
| 9 | 11/30/2010 | \$3,000.00 |
| | Total | \$130,000.00 |

28. At all times relevant, Defendant PHILIP MARK CAIN, mailed or caused to be sent by the United States Postal Service or private, commercial carrier, false and fraudulent bank statements to the client/investors purporting to be bank statements from Deutsche Bank.

29. All wages and commissions for Defendant PHILIP MARK CAIN and his spouse are maintained separately from Defendant PHILIP MARK CAIN's JPMorgan Chase, Bank of America, and Compass Bank Accounts in a joint account at Tucson Federal Credit Union.

COUNTS 1 - 15
18 U.S.C. §1341
[Mail Fraud]

At all times relevant to this indictment:

30. The Introductory Allegations in Paragraphs 1 through 29 are realleged and reincorporated as to Counts 1 through 15 as if set forth in full herein.

31. On or about the dates set forth below, within the District of Arizona and elsewhere, Defendant PHILIP MARK CAIN and others known and unknown to the grand jury knowingly and willfully devised and intended to devise a scheme and artifice to defraud the client/investors set forth below, and to obtain money from said client/investors by means of

1 false and fraudulent pretenses, representations, and promises, and by intentional concealment
2 and omission of material facts.

3 **The Scheme and Artifice to Defraud**

4 32. It was part of the scheme and artifice to defraud that the Defendant PHILIP MARK
5 CAIN, having devised and intending to devise a scheme and artifice to defraud, and to obtain
6 money by means of false and fraudulent pretenses, representations and promises and by means
7 of intentional concealment and omission of material facts induced payments from the
8 client/investors as set forth below which the Defendant then misappropriated.

9 **Execution of the Scheme by Mail or Private, Commercial Interstate Carrier**

10 33. On or about the dates alleged below, within the District of Arizona, and elsewhere,
11 Defendant PHILIP MARK CAIN for the purposes of executing the aforementioned scheme
12 and artifice to defraud, and attempting to do so, knowingly and willfully caused to be sent by
13 the United States Postal Service or private, commercial carrier, for delivery according to the
14 directions thereon, envelopes containing false and fraudulent bank statements alleged to be
15 bank account statements from Deutsche Bank, specifically described in Counts 1 through 15
16 below:

| Count | Date | Client/Investor | False/Fraudulent "Deutsche Bank" Statements: |
|-------|------------|-----------------|-------------------------------------------------------------------------|
| 1 | 11/30/2008 | I.B.& P.S. | Statement date - 11/01/2008 to 11/30/2008, "Account No. S90035762-N" |
| 2 | 11/30/2008 | S.W. | Statement date - 11/01/2008 to 11/30/2008, "Account No. S90035764-N" |
| 3 | 11/30/2008 | E.M. | Statement date - 11/01/2008 to 11/30/2008, "Account No. S90035763-N" |

| | | | |
|----|------------|-------------|----------------------------------------------------------------------|
| 4 | 12/01/2008 | J.C. | Statement date - 12/01/2008, "Account No. S90035761-N" |
| 5 | 12/31/2008 | I.B.& P.S. | Statement date - 11/01/2008 to 11/30/2008, "Account No. S90035762-N" |
| 6 | 12/31/2008 | E.M. | Statement date - 12/01/2008 to 12/31/2008, "Account No. S90035763-N" |
| 7 | 12/31/2008 | S.W. | Statement date - 12/01/2008 to 12/31/2008, "Account No. S90035764-N" |
| 8 | 3/31/2009 | S.W. | Statement date - 1/01/2009 to 3/31/2009, "Account No. S90035764-N" |
| 9 | 3/31/2009 | J.C. | Statement date - 1/01/2009 to 3/31/2009, "Account No. S90035761-N" |
| 10 | 9/30/2009 | M.B. & J.B. | Statement date - 7/01/2009 to 9/30/2009, "Account No. S90035794-N" |
| 11 | 6/30/2010 | A.R. | Statement date - 6/03/2010 to 6/30/2010, "Account No. S90035767-N" |
| 12 | 6/30/2010 | M.B. & J.B. | 4/01/2010 to 6/30/2010, "Account No. S90035794-N" |
| 13 | 12/31/2010 | J.B. & J.B. | 10/01/10 to 12/31/2010, "Account No. S90035793-N" |
| 14 | 12/31/2010 | E.M. | 10/01/2010 to 12/31/2010, "Account No. S90035763-N" |
| 15 | 12/31/2010 | A.R. | 10/01/2010 to 12/31/2010, "Account No. S-90035767-N" |

All in violation of Title 18 U.S.C. 1341.

COUNT 16
18 U.S.C. §1343
[Wire Fraud]

At all times relevant to this indictment:

34. The Introductory Allegations in Paragraphs 1 through 29 are realleged and reincorporated as to Count 16 as if set forth in full herein.

35. On or about the date set forth below, within the District of Arizona and elsewhere, Defendant PHILIP MARK CAIN and others known and unknown to the grand jury knowingly and intentionally devised and intended to devise a scheme and artifice to defraud the client/investors as set forth below, and to obtain money from the client/investors by means of false and fraudulent pretenses, representations, and promises, and by intentional concealment and omission of material facts.

The Scheme and Artifice to Defraud

36. It was part of the scheme and artifice to defraud that the Defendant PHILIP MARK CAIN, having devised a scheme and artifice to defraud, and to obtain money by means of false and fraudulent pretenses, representations and promises and by means of intentional concealment and omission of material facts transmitted by means of wire communication in interstate commerce signals and sounds, that is, banking wire transfers and authorizations.

Execution of the Scheme by Wire Communications

37. On or about January 6, 2010, within the District of Arizona, and elsewhere, Defendant PHILIP MARK CAIN for the purpose of executing, and attempting to execute, the aforementioned scheme and artifice to defraud, knowingly and intentionally transmitted and caused to be transmitted by means of wire communication in interstate commerce signals and sounds, that is, a banking wire transfer, from the financial account under the name J.C., Pentagon Federal Credit Union, account no. xxxxx8446 in the amount of \$214,985.00, to the

1 account of Commonwealth Financial Services, JP Morgan Chase, account no. xxxxx4977, the
 2 monies being the funds of client/investor J.C. which Defendant PHILIP MARK CAIN
 3 obtained by defrauding J.C.

4 All in violation of Title 18 U.S.C. 1343.

5 **COUNTS 17 - 29**
 6 **18 U.S.C. §1957**

7 **[Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity]**

8 38. The Introductory Allegations in Paragraphs 1 through 29 and the allegations in
 9 Paragraphs 30 through 33 of Counts 1 through 15 are realleged and reincorporated in Counts
 10 17 through 29 as if set forth in full herein.

11 39. Between on or about January 26, 2009, and on or about May 12, 2010, in the District
 12 of Arizona, Defendant PHILIP MARK CAIN, did knowingly engage and attempt to engage
 13 in monetary transactions by, through or to financial institutions affecting interstate or foreign
 14 commerce, in criminally derived property of a value greater than \$10,000.00, that is, by
 15 withdrawing, or causing to be withdrawn, by cashier's checks from JP Morgan Chase accounts
 16 as set forth below, such property having been derived from a specified unlawful activity, that
 17 is mail fraud in violation of Title 18, United States Code, Section 1341, on the dates and in the
 18 amounts set forth below:

| 19 CT | DATE | Check No. | AMOUNT | ACCT. NO. | Payable To |
|-------|-----------|-----------------|-------------|-------------|----------------|
| 20 17 | 1/26/2009 | CC # 9039401597 | \$30,000.00 | #xxxxxx4581 | Philip Cain |
| 21 18 | 1/28/2009 | CC#9216501413 | \$30,000.00 | # xxxxx4977 | Philip M. Cain |
| 22 19 | 1/30/2009 | CC#9039401640 | \$30,000.00 | # xxxxx4977 | Philip Cain |
| 23 20 | 2/25/2009 | CC#9039401798 | \$30,000.00 | # xxxxx4977 | Philip M. Cain |
| 24 21 | 3/27/2009 | CC#9039402025 | \$30,000.00 | # xxxxx4977 | Philip Cain |
| 25 22 | 4/02/2009 | CC#9039402085 | \$30,000.00 | # xxxxx4977 | Philip Cain |

| | | | | | |
|----|------------|---------------|-------------|--------------|------------------|
| 23 | 5/05/2009 | CC#9039402350 | \$30,000.00 | # xxxxxx4977 | Philip M. Cain |
| 24 | 5/14/2009 | CC#9039402419 | \$35,000.00 | # xxxxxx4977 | Philip Mark Cain |
| 25 | 5/22/2009 | CC#9039402471 | \$35,000.00 | # xxxxxx4977 | Philip M. Cain |
| 26 | 11/04/2009 | CC#9039403906 | \$50,000.00 | # xxxxxx4977 | Philip Cain |
| 27 | 11/12/2009 | CC#9039403962 | \$38,000.00 | # xxxxxx4977 | Philip Cain |
| 28 | 1/07/2010 | CC#9039404470 | \$60,000.00 | # xxxxxx4977 | Philip M. Cain |
| 29 | 1/13/2010 | CC#9039404521 | \$50,000.00 | # xxxxxx4977 | Philip Cain |

All in violation of Title 18 U.S.C. §1957.

COUNT 30
31 U.S.C. 5324

[Structuring Transactions to Evade Currency Reporting Requirements]

40. The Introductory Allegations in Paragraphs 1 through 29, the allegations in Paragraphs 30 through 33 of Counts 1 through 15, Paragraphs 34 through 37 of Count 16, and Paragraphs 38 through 39 of Counts 17 through 29 are realleged and reincorporated in Count 30 as if set forth in full herein.

41. Between on or about the dates set forth below, within the District of Arizona, Defendant PHILIP MARK CAIN, did knowingly structure and assist in structuring a transaction with a domestic financial institution, Bank of America, account number xxxxxxxxx8435, in the name of Commonwealth Financial Services, for the purpose of evading the currency transaction reporting requirements of Title 31, United States Code, Section 5313(a) and the regulations promulgated thereunder, by making and causing to be made multiple currency withdrawals and transactions in amounts of less than \$10,000.00, as more fully set forth below:

| Date | Amount Withdrawn |
|-----------|------------------|
| 5/27/2010 | \$9,000.00 |
| 5/28/2010 | \$9,000.00 |
| 6/04/2010 | \$9,000.00 |

| | | |
|---|-----------|------------|
| 1 | 6/08/2010 | \$9,000.00 |
| 2 | 6/09/2010 | \$9,000.00 |
| 3 | 6/10/2010 | \$9,000.00 |
| 4 | 6/14/2010 | \$9,000.00 |
| 5 | 6/15/2010 | \$9,000.00 |
| 6 | 6/16/2010 | \$9,000.00 |
| 7 | 6/17/2010 | \$9,000.00 |
| 8 | 6/18/2010 | \$9,000.00 |

9 All in violation of Title 31 U.S.C. §5324(a)(3) and Title 31, Code of Federal Regulations,
 10 §§103.11 and 103.22.

COUNT 31
31 U.S.C. 5324

[Structuring Transactions to Evade Currency Reporting Requirements]

11
 12
 13 42. The Introductory Allegations in Paragraphs 1 through 29, the allegations in Paragraphs
 14 30 through 33 of Counts 1 through 15, Paragraphs 34 through 37 of Count 16, and Paragraphs
 15 38 through 39 of Counts 17 through 29 are realleged and reincorporated in Count 31 as if set
 16 forth in full herein.

17 43. Between on or about the dates set forth below, within the District of Arizona, Defendant
 18 PHILIP MARK CAIN, did knowingly structure and assist in structuring a transaction with a
 19 domestic financial institution, Compass Bank, account no. xxxxxx3076, as more fully set forth
 20 below, for the purpose of evading the currency transaction reporting requirements of Title 31,
 21 United States Code, Section 5313(a) and the regulations promulgated thereunder, by making
 22 and causing to be made multiple currency withdrawals and transactions in amounts of less than
 23 \$10,000.00, and did so as part of a pattern of illegal activity involving more than \$100,000.00
 24 in a 12-month period, as more fully set forth below:

| Date | Amount Withdrawn |
|------------|------------------|
| 10/28/2010 | \$5,000.00 |
| 10/29/2010 | \$9,000.00 |
| 11/01/2010 | \$9,000.00 |
| 11/02/2010 | \$9,000.00 |
| 11/03/2010 | \$9,000.00 |
| 11/08/2010 | \$9,000.00 |
| 11/09/2010 | \$9,000.00 |
| 11/12/2010 | \$9,000.00 |
| 11/17/2010 | \$9,000.00 |
| 11/18/2010 | \$9,000.00 |
| 11/19/2010 | \$9,000.00 |
| 11/23/2010 | \$9,000.00 |
| 11/23/2010 | \$9,000.00 |
| 11/30/2010 | \$3,000.00 |

All in violation of Title 31 U.S.C. §5324(a)(3) and 5324(d)(2), Title 31, Code of Federal Regulations, §§103.11 and 103.22.

FORFEITURE ALLEGATION

Upon conviction of the offenses in violation of Title 18, United States Code, Sections 1341 and 1343 set forth in Counts 1 through 16 of this Indictment, the defendant, PHILIP MARK CAIN, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses.

Upon conviction of the offenses in violation of Title 18, United States Code, Section 1957 set forth in Counts 17 through 29 of this Indictment, the defendant, PHILIP MARK CAIN, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section

1 982(a)(1), any property, real or personal, involved in such offense, and any property traceable
2 to such property; and pursuant to Title 18, United States Code, Section 981(C) and Title 28,
3 United States Code, Section 2461(c), any property, real or personal, which constitutes or is
4 derived from proceeds traceable to the offenses.

5 Upon conviction of the offenses in violation of Title 31, United States Code, Section 5324
6 set forth in Counts 30 through 31 of this Indictment, the defendant, PHILIP MARK CAIN, shall
7 forfeit to the United States of America, pursuant to Title 31, United States Code, Section 5317,
8 all property, real or personal, involved in the offenses and any property traceable to such
9 property.

10 The property to be forfeited includes, but is not limited to, the following:

- 11 1. \$41,975.41 seized from Compass Bank Account number xxxxxx3076, in the name
12 of Philip Cain;
- 13 2. \$21,449.50 seized from Bank of America Account number xxxxxx0241, in the
14 name of Philip Cain;
- 15 3. 1970 Dodge Challenger, VIN JH29N0B130460;
- 16 4. 1970 Dodge (model not listed), VIN WM23N0E128488;
- 17 5. 1972 Plymouth Barracuda, VIN BH23G2B202829;
- 18 6. 1973 Plymouth Barracuda, VIN BS23H3B163459; and
- 19 7. \$81,708 in United States currency.

20 Upon conviction of the offenses alleged in this Indictment, the defendant, PHILIP MARK
21 CAIN, shall forfeit to the United States of America a sum of money equal to the amount of
22 proceeds obtained as a result of the offenses, including but not limited to 1.55 million dollars.

23 If any of the above-described forfeitable property, as a result of any act or omission of the
24 defendant:

- 25 (1) cannot be located upon the exercise of due diligence;

- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property, including, but not limited to, all property, both real and personal, owned by the defendant.

All pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(1), Title 28, United States Code, Section 2461(c), Title 31, United States Code, Section 5317, and Rule 32.2(a) of the Federal Rules of Criminal Procedure.

[REDACTED]

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MAR 17 2011

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REDACTED FOR
PUBLIC DISCLOSURE